

House File 671

H-1667

1 Amend House File 671 as follows:

2 1. Page 7, after line 26 by inserting:

3 <DIVISION
4 MUNICIPAL UTILITY REPLACEMENT TAX APPLICATION
5 Sec. ____ . MUNICIPAL UTILITIES — REPLACEMENT TAX —
6 IMPLEMENTATION STUDY.

7 1. The department of revenue shall conduct an
8 evaluation and analysis regarding applying the
9 replacement tax on electricity and natural gas
10 providers established in chapter 437A to municipal
11 utilities not currently subject to the tax, in an
12 effort to address inequities in the application of the
13 foundation property tax imposed pursuant to section
14 257.3.

15 2. The evaluation shall be conducted with the
16 assistance of the utility replacement tax task force
17 and shall include but not be limited to determination
18 of the following:

19 a. Equitable delivery rates for municipal utilities
20 not currently subject to the tax.

21 b. Phased-in implementation of tax imposition
22 subject to the following specified percentages of full
23 replacement tax liability:

24 (1) For the tax year beginning January 1, 2011,
25 zero percent.

26 (2) For the tax year beginning January 1, 2012,
27 fourteen percent.

28 (3) For the tax year beginning January 1, 2013,
29 twenty-eight percent.

30 (4) For the tax year beginning January 1, 2014,
31 forty-two percent.

32 (5) For the tax year beginning January 1, 2015,
33 sixty-four percent.

34 (6) For the tax year beginning January 1, 2016,
35 seventy-eight percent.

36 (7) For the tax year beginning January 1, 2017,
37 ninety-two percent.

38 (8) For the tax year beginning January 1, 2018, and
39 succeeding tax years, one hundred percent.

40 3. The department shall submit proposed legislation
41 during the 2012 legislative session reflecting the
42 results of the evaluation.>

43 2. Title page, line 3, after <limitations,> by
44 inserting <providing for an evaluation of applying
45 the replacement tax on electricity and natural gas
46 providers to municipal utilities,>

WATTS of Dallas